GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:306
ANSWERED ON:17.08.2006
ROYALTY ON CRUDE OIL
Kripalani Shri Srichand;Narhire Smt. Kalpana Ramesh

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the criteria being followed for paying royalty to the crude oil producing States;

(b) the amount of royalty paid to the crude oil producing States during 2005-06 and how does it compare with the corresponding figures of the previous two years;

(c) whether the Union Government has received request from some of the State Governments for enhancing the rate of royalty;

(d) if so, the details thereof; and

(e) the reaction of the Union Government thereto?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA STARRED QUESTION NO. 306 BY SHRIMATI (SAW.) KALPANA RAMESH NARHIRE and SHRI SRICHAND KRIPLANI: TO BE ANSWERED ON 17.08.2006 REGARDING `ROYALTY ON CRUDE OIL`.

(a) Under Oilfields (Regulation and Development) Act, (ORDA) 1948 as amended from time to time, the Government vide Gazette notification dated 16.12.2004, has notified a comprehensive schedule of royalty, after consultations with concerned State Governments, on which basis royalties are payable by the lessees to the State Governments. A copy of Gazette notification dated 16.12.2004 is at annex-I.

(b) State -wise amount of royalty paid to oil and gas producing States in last 3 years i.e. 2003-04, 2004-05 and 2005-06 is at annex-II.

(c) to (e): The State Governments, from time to time, have been requesting for revision in the methodology for fixation of the rates of royalty paid by National Oil Companies (NOCs). Their requests were examined in consultation with them and a new royalty regime has been put in place and comprehensive royalty schedule notified under ORDA on 16.12.2004.

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF THE LOK SABHA STARRED QUESTION NO.306 BY SHRIMATI (SAW.) KALPANA RAMESH NARHIRE and SHRI SRICHAND KRIPLANI: TO BE ANSWERED ON 17.08.2006 REGARDING `ROYALTY ON CRUDE OIL`.

Royalty paid to State Government on crude oil and natural gas production

(Figures in Rs. crore)

State	2005-06	2004-05	2003-04
Gujarat	1707.60	1130.97	867.45
Assam	1207.47	894.08	703.19
Tamil Nadu	142.83	102.31	70.64
Andhra Pradesh	110.45	77.25	77.29
Arunachal Pradesh	27.70	10.98	20.84
Tripura	7.39	6.96	5.94
Rajasthan	2.57	2.38	1.43
Total	3206.01	2224.93	1746.79